



Contract Number: [REDACTED]

AMERICA'S BEST PORK® MARKET HOG PURCHASE AGREEMENT

This Agreement is entered into as of this _____ day of _____, 2000, by and between Farmland Industries Inc. ("Farmland"), at PO Box 7527, Kansas City, MO 64116-0227 and [REDACTED], located at [REDACTED] producer of market hogs ("Producer").

PREMISES

Farmland desires to purchase from competent independent pork producers who are participating in America's Best Pork® high quality slaughter hogs suitable for processing. Producer has access to the necessary land, facilities, equipment, labor, feed, and Triumph Genetics (defined below) for the purposes of fulfilling Producer's obligations under this Agreement.

AGREEMENTS

NOW, THEREFORE, the parties hereto agree as follows:

1. **SALE OF QUALIFYING MARKET HOGS.** During the term of this Agreement, Farmland shall purchase from Producer and Producer shall sell to Farmland all Qualifying Market Hogs to Farmland under this Agreement according to the schedule set forth in Section 4 of this Agreement. The purchase price shall be determined in accordance with the terms and conditions of this Agreement.

2. **TERM OF AGREEMENT.** This Agreement shall commence on the date first above written and shall continue for four (4) years from such date, unless sooner terminated in accordance with the terms hereof.

3. **BREEDING STOCK LIMIT.** The Breeding Stock used to produce the Qualifying Market Hogs delivered under this Agreement shall not exceed a maximum inventory of _____ gilts and sows.

4. **DELIVERY SCHEDULE.** Producer shall make all deliveries to the slaughter facility requested by Farmland and as provided in Section 5 of this Agreement by 3:00 p.m. on the day prior to the day of slaughter, by 7:00 a.m. on the day of slaughter, or at any other time as requested by Farmland. Producer shall deliver Qualifying Market Hogs to Farmland on a regular and an even volume basis. Producer shall give Farmland a one-week notice of the expected delivery date of the Qualifying Market Hogs. Producer shall contact Farmland on Wednesday of each week and Farmland shall designate the dates within the following week on which deliveries are to be made. The estimated number of Qualifying Market Hogs to be delivered for each calendar quarter is set forth below:

ESTIMATED QUARTERLY DELIVERIES

Year	1st Quarter (Jan-Mar)	2nd Quarter (Apr-Jun)	3rd Quarter (July-Sept)	4th Quarter (Oct-Dec)

5. **TRANSPORTATION OF QUALIFYING MARKET HOGS.** Producer shall provide transportation at Producer's expense to the slaughter facility of Farmland Foods, Inc. ("Farmland Foods") located at:

_____(City, ST)

Farmland may request that one or more Lots of Qualifying Market Hogs be delivered to a slaughter facility other than designated in this section.

6. **DEFINITIONS.** The following words and terms used in this Agreement shall have the following meanings:

(a) "Base Price" shall mean the base price applicable to Qualifying Market Hogs and as determined in accordance with Schedule 1 attached hereto.

(b) "Breeding Stock" shall mean the gilts, sows, and boars, or the replacements thereof, that are owned or used by the Producer for the purpose of producing offspring suitable for Qualifying Market Hogs.

(c) "Facilities" shall mean the land, buildings, and equipment owned, leased, or contracted by Producer in connection with the housing, care, and feeding of the Herd.

(d) "Herd" shall mean the Breeding Stock and the offspring thereof.

(e) "Lot" shall mean a group of one or more market hogs that has the same Farmland tattoo number.

(f) "Nonqualifying Market Hogs" shall mean all market hogs that do not conform to the requirements for Qualifying Market Hogs.

(g) "Qualifying Market Hogs" shall mean the market hogs delivered to Farmland that conform to the following criteria:

1) All genetic material entering the Herd must be Triumph Genetics;

2) An average scalded carcass weight per Lot of 170 pounds to 207 pounds or an average skinned carcass weight per Lot of 151 pounds to 183 pounds, as the case may be, based upon the configuration of the applicable slaughter facility to which a Lot is delivered;

3) Free of the following defects: (i) tail bites; (ii) uncastrated males; (iii) freshly castrated males; (iv) ruptures; (v) abscesses; (vi) freshly cut or unhealed wounds; or (vii) any defect that would result in a down-grade of the animal's carcass or value; and

4) Such other additional conditions that are acceptable to Farmland as may be required by developments or conditions in the industry, including without limitation pork customer preferences or other competitive conditions. The parties agree to negotiate in good faith with respect to accepting such additional conditions.

(g) "Triumph Genetics" shall mean the genetics approved in writing by Triumph Pork Group LLC.

7. **CARCASS LEAN AND WEIGHT PREMIUMS AND DISCOUNTS AND ADJUSTMENTS.** The Base Price shall be subject to premiums and discounts for carcass lean and weight, which premiums and discounts will be determined according to Farmland's current America's Best Pork® carcass merit program in effect at the time of slaughter. A copy of the current America's Best Pork® carcass merit program schedule is attached hereto as Exhibit A. The Base Price and the America's Best Pork® carcass merit program may be changed from time to time to reflect developments in the pork industry and markets. Farmland will provide Producer with ninety (90) days advance written notice of the effective date of any changes in the Base Price or the America's Best Pork® carcass merit program. If Producer does not agree to accept the change or changes to the Base Price or the America's Best Pork® carcass merit program, then the Producer must give written notice to Farmland prior to the effective date of such change or changes stating Producer's refusal to accept such change or changes, in which case Farmland may in its sole and absolute discretion terminate this Agreement at anytime beginning ninety (90) days after receiving the written refusal notice from Producer.

8. **HERD CARE AND MANAGEMENT.** Producer shall supply all necessary management, labor, and utilities to properly operate the Facilities